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## Book Department

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## Book Department

CLUB ACCOUNTS AND THEIR CONTROL, By HAROLD TANSLEY  
WIRT, F.C.A., *Gee & Co.*, London, 1913. \$1.50.

This publication is intended to prove of value to secretaries and committees of English clubs, and also to explode the theory that any one can manage a club. Incidentally, the author modestly submits the book to members of the accounting profession as a guide when they are called upon to install club accounts, as its theories are in every day use by the best English clubs. The books of account from which the revenue account and balance sheet are prepared, as prescribed by the author, are: cash book; tabular expenditure journal; impersonal ledger (partly ruled in tabular form; tradesmen's ledger; small journal (for impersonal entries, and adjustments); and debenture ledger (if the club has a debenture debt).

The author urges the importance of keeping, wherever possible, a record of the profits made in each department of the club, so as to produce a comparable ratio of percentage of profit to the takings.

A careful reading of this book fails to dispel the thought that our English cousins have made little progress in demonstrating the stewardship of club departmental service coincidentally with the stewardship of employees handling money and property. The accounting processes suggested by the author are practically obsolete in American clubs and have given place to clean-cut and concise methods that are promptly responsive to any desired demonstration of stewardship. American club management is generally vested in standing committees, composed of men or women active in business affairs, who demand the same graphic and comprehensive records for their club that they require in their own business affairs. This has resulted in giving to American clubs the very best accounting thought in the development of routine, accounting methods, and comprehensive statements of results.

HERBERT M. TEMPLE

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THE THEORY OF DEBIT AND CREDIT IN ACCOUNTING, by  
ROBERT GARDNER McCLUNG. *Morgan, Mills and Company*, Boston,  
1913. 16 pages. \$1.00.

Length of title, magnitude of price and abundance of index are the most noteworthy features of a little pamphlet of fourteen pages devoted to a discussion of the theory of debit and credit in accounting by MR. ROBERT GARDNER McCLUNG. The absolute necessity for a publication of a work of this kind does not appear to the casual reviewer. To him it reads more like the introductory chapter of an ordinary text book on accounting. Every worthy contribution to the literature of accountancy should be welcome, but it is much to be doubted if the reception accorded the booklet in question will be as hearty as it might be were the contents greater and the price less.

A. P. R.

## Book Department

INCOME TAX GUIDE, BY WALTER A. STAUB, C.P.A., *Lybrand, Ross Bros. & Montgomery*, New York, 1913. Fifty cents.

Following enactment of the Underwood tariff bill with its provision for the incidence of a tax upon individual as well as corporate income a mass of literature has been published dealing with the income tax and attempting more or less satisfactorily to explain the meaning of an act which certainly did not err on the side of too great clarity. Many of the banks have issued booklets containing advice to bondholders, and various other institutions have voluntarily come to the assistance of a rather bewildered public, but it must be confessed that the great majority of this expository pamphleteering has served chiefly to make confusion worse confounded. The primary reason for this failure to explain is the evident desire of the authors to display their ability as destructive critics. The act has been roundly belabored; its provisions have been ridiculed; and its inapplicability to the conditions of business has been demonstrated to the complete and serene comfort of complacent writers.

Constructive criticism, however, has not been wholly lacking and in MR. STAUB'S little book we have as lucid and able a discussion of the act as has appeared. He starts with the bold assumption that the act can be applied and proceeds to show how. Naturally he deals only with the act and those regulations under it issued prior to the publication of his book, but he displays a grasp of the law and a confidence in the administration of it which is valuable and encouraging. The set of forms for recording income which is embodied in the book is of great use. The exposition of the law is most sound. There is a modicum of criticism but as a rule the author takes the subject as he finds it and has no violent quarrel with facts. The book is excellent and should be an aid to every payer of income tax.

A. P. R.

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A FIRST YEAR IN BOOKKEEPING AND ACCOUNTING BY G. A. MACFARLAND AND I. D. ROSSHEIM, pp. 224. *D. Appleton & Co.*, 1913.

As stated in the foreword the endeavors of the authors "have been to lay particular emphasis on the methods of exposition; appeal being made to the understanding rather than to the memory of the student." This is exactly what is needed in the university courses in commerce, and the purpose is laudable. It is my opinion that the method of illustrating principles by specific problems will soon supplant the routine sets so largely in use at present, and it is a pleasure to see a text with such a basis. Too frequently it is assumed that the student knows bookkeeping because he has waded through a mass of tiresome entries. Such routine work drives all ambition and initiative from many a man who begins the work. The authors state "but a small number of students having reference to this volume will eventually reach the summits of accounting, having no desire to follow it as a profession." This is unquestionably true, but the writer is also convinced that one of the great faults with instruction in bookkeeping is that teachers do not

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inspire the student with vision; the student sees only the things at hand and becomes mechanical in his action—he is learning the trade of being a bookkeeper. Certainly no university course in commerce has such an aim in view. The course in bookkeeping is used as a stepping stone in approaching the larger subject of accountancy. Merchandise or trade discount is defined on page 54 as “a consideration given or received for the payment of bills before they are due.” This is a confusion of the terms, trade and cash discount, and it is the latter which the authors have defined. An examination of the text failed to reveal the correct use of the term, “trade discount.” The fact that the old time mixed account with merchandise is used in this book is to be regretted. If universities are to prepare men for entering the profession the accounting work from beginning to end must be properly correlated, so that time need not be wasted in accounting classes in explaining and correcting the methods followed in bookkeeping texts.

In the opinion of the writer, too much attention (three chapters, 24 pages) is given over to single entry bookkeeping and the change from single entry to double entry. Particular attention should be called to the fact that no mention is made in the text of corporation bookkeeping or general corporation subjects, with which the bookkeeper should be familiar. The authors state in the foreword that the text “is designed to provide a full first year’s work in bookkeeping and accounting, for use in higher institutions of commercial training. Certainly not a great deal of time could be given the subject each week if the contents of the book were to suffice for a year’s work, and it is hoped that the number of universities devoting so little attention to training for accountancy is exceedingly small.

F. H. ELWELL.

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## Correspondence

### Accounting Terminology

*Editor, The Journal of Accountancy:*

Sir: It is an ungrateful task to criticise the work of a committee which has freely given its services to the American Association of Public Accountants, but where severe criticism is bound to arise, it seems desirable that members of the association should be the first to realize the need therefor.

Few who have read the report of the committee on accounting terminology will dissent from the conclusion that it is not worthy of its members or of the accounting profession. It is unnecessary to discuss the report in detail and all that can now be done is to take steps to insure, so far as possible, that the report shall not be regarded by the public